

Program E: Unemployment Benefits Program

Program Authorization: R.S. 23:1471, Wagner-Peyser Act of 1983, Social Security Act of 1935, and Federal Unemployment Tax Act (FUTA)

PROGRAM DESCRIPTION

The mission of the Unemployment Benefits Program is to promote a stable, growth-oriented Louisiana through the administration of a solvent and secure Unemployment Insurance Trust Fund, supported by employer taxes. It is also the mission of this program to pay Unemployment Compensation Benefits to eligible unemployed workers.

The goal of the Unemployment Benefits Program is to provide financial security to unemployed workers through timely and accurate payment of Unemployment Compensation Benefits funded by employers' payments of quarterly unemployment taxes.

The Unemployment Benefits Program administers the Unemployment Insurance Trust Fund supported by employer taxes to pay Unemployment Compensation Benefits to eligible unemployed workers. The program's main activities include payment of unemployment claims, investigation of claims, review and determination of appealed cases, and collection of unemployment taxes.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

1. (KEY) To pay unemployment benefits within 14 days of the first payable week ending date and recover \$3,200,000 of unemployment benefit overpayments.

Strategic Link: *I.1 - Execute a program of taxation as provided for in Louisiana Employment Security Law.*

Louisiana: *Vision 2020* Link: Not applicable

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE	ACTUAL YEAREND	ACT 11 PERFORMANCE	EXISTING PERFORMANCE	AT CONTINUATION	AT RECOMMENDED
		STANDARD	PERFORMANCE	STANDARD	STANDARD	BUDGET LEVEL	BUDGET LEVEL
		FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001	FY 2001-2002	FY 2001-2002
K	Percentage of intrastate initial claims payments made within 14 days of first compensable week	90%	82.9%	90%	90%	87%	87%
K	Percentage of interstate initial claims payments made within 14 days of first compensable week	76%	78.7%	76%	76%	76%	76%
K	Amount of overpayments recovered	\$2,500,000	\$2,873,828	\$3,000,000	\$3,000,000	\$3,200,000	\$3,200,000

2.(KEY) To collect 100% of unemployment taxes from liable employers, quarterly depositing 95% of taxes in 3 days, in order to provide benefits to the unemployed worker and maintain the solvency and integrity of the Unemployment Trust Fund.

Strategic Link: *I.1 - Execute a program of taxation as provided for in Louisiana Employment Security Law.*

Louisiana: *Vision 2020 Link:* Not applicable

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE	ACTUAL YEAREND	ACT 11 PERFORMANCE	EXISTING PERFORMANCE	AT CONTINUATION	AT RECOMMENDED
		STANDARD	PERFORMANCE	STANDARD	STANDARD	BUDGET LEVEL	BUDGET LEVEL
		FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001	FY 2001-2002	FY 2001-2002
K	Percentage of liable employers issued account numbers within 180 days	83%	84.7%	83%	83%	83%	83%
K	Percentage of monies deposited within 3 days	95%	0% ¹	95%	95%	95%	95%
S	Number of audits performed	1,680	1,393	1,680	1,680	1,800	1,800

¹ Available only on an annual basis. This statistic is posted only in the first quarter of the fiscal year. For FY 1999-2000, the figure was 66.63%.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999 - 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	330,700	0	0	0	0	0
Statutory Dedications	0	3,900,000	3,900,000	3,900,000	4,622,915	722,915
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	15,088,854	11,572,503	11,572,503	11,435,798	8,389,478	(3,183,025)
TOTAL MEANS OF FINANCING	\$15,419,554	\$15,472,503	\$15,472,503	\$15,335,798	\$13,012,393	(\$2,460,110)
EXPENDITURES & REQUEST:						
Salaries	\$7,580,527	\$7,301,766	\$7,301,766	\$7,077,610	\$6,941,502	(\$360,264)
Other Compensation	498,113	78,530	78,530	78,530	468,359	389,829
Related Benefits	1,782,276	1,373,331	1,373,331	1,383,741	1,327,841	(45,490)
Total Operating Expenses	2,058,618	4,140,933	4,140,933	4,217,974	1,696,748	(2,444,185)
Professional Services	878,599	500,000	500,000	500,000	500,000	0
Total Other Charges	1,444,081	77,943	77,943	77,943	77,943	0
Total Acq. & Major Repairs	1,177,340	2,000,000	2,000,000	2,000,000	2,000,000	0
TOTAL EXPENDITURES AND REQUEST	\$15,419,554	\$15,472,503	\$15,472,503	\$15,335,798	\$13,012,393	(\$2,460,110)
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	440	207	207	207	203	(4)
Unclassified	1	1	1	1	1	0
TOTAL	441	208	208	208	204	(4)

SOURCE OF FUNDING

This program is funded with Statutory Dedications and Federal Funds. The Statutory Dedications are derived from the Unemployment Trust Fund monies. These are federally appropriated funds to each Department of Labor. The Federal Funds are granted to each employment security agency, under the Social Security Act.

	ACTUAL 1999- 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
E. Sec Adm. Fund - Workforce Development Training Account	\$0	\$3,900,000	\$3,900,000	\$3,900,000	\$3,900,000	\$0
E. Sec Adm. Fund - Penalty and Interest	\$0	\$0	\$0	\$0	\$722,915	\$722,915

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$15,472,503	208	ACT 11 FISCAL YEAR 2000-2001
			BA-7 TRANSACTIONS:
\$0	\$0	0	
\$0	\$15,472,503	208	EXISTING OPERATING BUDGET – December 15, 2000
\$0	\$59,598	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$0	\$34,766	0	Classified State Employees Merit Increases for FY 2001-2002
\$0	\$2,000,000	0	Acquisitions & Major Repairs
\$0	(\$2,000,000)	0	Non-Recurring Acquisitions & Major Repairs
\$0	(\$346,316)	0	Salary Base Adjustment
\$0	(\$153,802)	(4)	Personnel Reductions
\$0	(\$2,054,356)	0	Other Adjustments - Adjustment for realignment of expenditures based on historical spending for this program
\$0	\$13,012,393	204	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$13,012,393	204	BASE EXECUTIVE BUDGET FISCAL YEAR 2001-2002
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$13,012,393	204	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 84.1% of the existing operating budget. It represents 97.1% of the total request (\$13,412,796) for this program. The 3% decrease is due to realignment of expenditures based on historical spending. This program has four (4) positions that have been vacant for 1 year or more.

PROFESSIONAL SERVICES

\$33,543 Accounting/Auditing services for Employment Security Grants as required by federal regulations
\$466,457 Attorney fees for collecting delinquent unemployment taxes

\$500,000 TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$47,199 Disaster Unemployment Assistance (DUA) - This program is enacted when disaster is declared in Louisiana by the President of the United States. Trade Readjustment Assistance (TRA) - This program benefits individuals who are displaced from their jobs because of foreign trade. The company could move overseas or have a layoff due to foreign competition. Unemployment Compensation Federal Employees (UCFE-UCX) - Unemployment Compensation Exservicemen - Both of these programs are for military employees that are separated from their jobs. The Federal Government pays 100% of the benefits.

\$47,199 SUB-TOTAL OTHER CHARGES

Interagency Transfers:

\$30,744 Rent In-state owned Buildings
\$0

\$30,744 SUB-TOTAL INTERAGENCY TRANSFERS

\$77,943 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$2,000,000 Funding provided for the following equipment: CPU upgrade, DASD upgrade, SILO upgrade, Servers upgrade, network upgrade, computer system support services, software, inserter and printers, Communication controller, and client expansion

\$2,000,000 TOTAL ACQUISITIONS AND MAJOR REPAIRS